

Automakers vow not to give up on weak-selling electrics

March 3 2015, by David Mchugh And Greg Keller



The New Sbarro Triple concept car is on display during the press day at the 85th Geneva International Motor Show in Geneva, Switzerland, Tuesday, March 3, 2015. The Motor Show will open its gates to the public from March 5 to March 15. (AP Photo/Keystone, Martial Trezzini)

Top automakers are vowing not to give up on weak-selling electric vehicles—even as they unveil an array of powerful luxury cars with conventional engines aimed at a growing global market.

BMW AG CEO Norbert Reithofer said Tuesday at the Geneva International Motor Show that his company cannot do without battery-powered vehicles such as its i3 urban compact.

"In the future, electric drive vehicles will be in demand," he said, adding that the Munich-based automaker could not meet its targets to reduce emissions without them.

Only about 75,000 of the 12.5 million vehicles sold last year in Europe were electrics or hybrids. Still, auto companies have sunk billions into developing alternative propulsion vehicles over the long term due to government requirements to limit vehicle emissions and with an eye to restrictions on autos in China due to heavy air pollution. The European Union requires companies to average 95 grams of CO₂ per kilometer (0.6 miles) for their new cars by 2021, down from a limit of 130 grams per kilometer this year.

Daimler CEO Dieter Zetsche said hybrids combining internal combustion and batteries were "truly attractive cars that represent the best of both worlds" and serve as a bridge to future no-emissions vehicles. Daimler introduced a rechargeable plug-in hybrid of its C-class sedan at the show.



People gather around the new Lamborghini Aventador SV during a preview show of Volkswagen Group, as part of the 85th Geneva International Motor Show, Switzerland, Monday, March 2, 2015. (AP Photo/Laurent Cipriani)

Zetsche cautioned, however, that the long-life batteries needed for electrics to conquer the market are at least five years off.

The calls to keep developing alternative-drive cars come even as high-end luxury cars take pride of place at this year's Geneva show. Lamborghini, Ferrari, Audi and McLaren all are unveiling high-speed machines costing hundreds of thousands, while Daimler has the Maybach Pullman stretch limousine, which will go on sale for north of 500,000 euros (\$561,000).

Volkswagen CEO Martin Winterkorn stressed his company's commitment to new technologies even as the company's Lamborghini brand showed off its Aventador LP 750-4 Superveloce, a sleek beast of a

sports car with an enormous 750 horsepower and a top speed of over 217 mph (350 kph). It puts out 375 grams per kilometer of CO₂.

Volkswagen also unveiled a concept sport coupe that's hybrid-driven and can reach 150 mph. It emits only 46 grams of CO₂ per kilometer.



The New Sbarro Aria is on display during the press day at the 85. Geneva International Motor Show in Geneva, Switzerland, Tuesday, March 3, 2015. The Motor Show will open its gates to the public from March 5 to March 15. (AP Photo/Keystone, Martial Trezzini)

Auto executives were cautiously optimistic for sales this year in China, the United States and Europe - the three sales pillars for export-oriented German carmakers. Expectations are tempered by worries over Russia's conflict with Ukraine and economic difficulties in Brazil, another key market.

Analysts at IHS Automotive foresee global car market growth of 2.4 percent, held back by shrinking demand in Russia, which appears headed for recession. BMW's Reithofer reported the company's sales slide 17 percent there last year.



The New Sbarro Aria is on display during the press day at the 85. Geneva International Motor Show in Geneva, Switzerland, Tuesday, March 3, 2015. The Motor Show will open its gates to the public from March 5 to March 15. (AP Photo/Keystone, Martial Trezzini)

Auto sales grew last year in Europe by 5.6 percent, the first growth since 2007.

The emphasis at the show on luxury vehicles highlighted the split in the market between steady sales to the wealthy and shakier demand for moderately priced vehicles. Fiat Chrysler Automobiles CEO Sergio

Marchionne, whose vehicles are more in the mass-market end of the market, said that "we were scraping the bottom of the barrel but now we're seeing the beginning of recovery. It's not phenomenal but I'll take it."



Daimler CEO Dieter Zetsche presents the new Mercedes GLE 450 AMG Coupe on the first press day of the Geneva International Motor Show Tuesday, March 3, 2015 in Geneva, Switzerland. The show opens its doors to the public March 5 through March 15. (AP Photo/Laurent Cipriani)



The New Bentley Continental GT Convertible, which is shown during the press day at the 85th Geneva International Motor Show in Geneva, Switzerland, Tuesday, March 3, 2015. The Motor Show will open its gates to the public from 5th to 15th March. (AP Photo/Keystone, Martial Trezzini)



The New Bentley Continental GT Speed is shown during the first press day at the 85th Geneva International Motor Show in Geneva, Switzerland, Tuesday, March 3, 2015. The Motor Show will open its gates to the public from 5th to 15th. (AP Photo/Keystone, Martial Trezzini)



The new Morgan Aero 8 is on display on the first press day of the Geneva International Motor Show Tuesday, March 3, 2015 in Geneva, Switzerland. The show opens its doors to the public March 5 through March 15. (AP Photo/Laurent Cipriani)



Journalists surround the new Mercedes-AMG GT3 on the first press day of the Geneva International Motor Show Tuesday, March 3, 2015 in Geneva, Switzerland. The show opens its doors to the public March 5 through March 15. (AP Photo/Laurent Cipriani)



Journalists surround the new Mercedes-AMG GT3 on the first press day of the Geneva International Motor Show Tuesday, March 3, 2015 in Geneva, Switzerland. The show opens its doors to the public March 5 through March 15. (AP Photo/Laurent Cipriani)

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